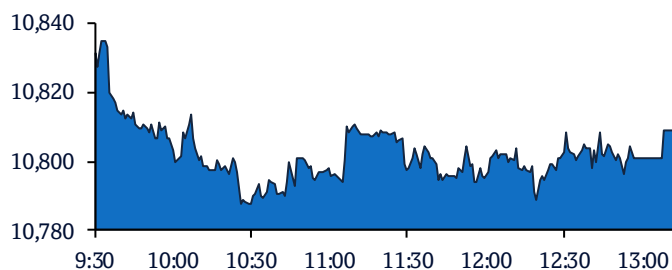


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.1% to close at 10,809.1. Gains were led by the Transportation and Real Estate indices, gaining 0.8% and 0.6%, respectively. Top gainers were Aljjarah Holding and Doha Bank, rising 3.6% each. Among the top losers, Mannai Corporation fell 2.2%, while Medicare Group was down 1.8%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.3% to close at 10,423.5. Gains were led by the Diversified Financials and Consumer Durables & Apparel indices, rising 4.9% and 0.8%, respectively. Kingdom Holding Co. rose 9.3%, while Saudi Advanced Industries Co. was up 6.3%.

Dubai: The DFM Index gained 1.2% to close at 2,704.8. The Transportation index rose 3.8%, while the Real Estate & Construction index gained 1.4%. National Industries Group Holding rose 14.4%, while Takaful Emarat was up 10.6%.

Abu Dhabi: The ADX General Index gained 0.8% to close at 6,528.4. The Consumer Staples index rose 4.8%, while Telecommunication index was up 1.2%. Abu Dhabi Ship Building Co. rose 14.7%, while Palms Sports was up 10.8%.

Kuwait: The Kuwait All Share Index fell 0.1% to close at 6,309.0. The Industrials index declined 1.7%, while the Energy index fell 1.0%. Future Kid Entertainment and Real Estate Co. declined 12.9%, while Amar Finance & Leasing Co. was down 10.1%.

Oman: The MSM 30 Index gained 0.2% to close at 3,847.3. The Financial index gained 0.4%, while the other indices ended in red. Muscat Insurance Company rose 9.7%, while Bank Dhofar was up 2.8%.

Bahrain: The BHB Index gained 0.5% to close at 1,536.1. The Commercial Banks index rose 0.7%, while the Investment index gained 0.5%. Al Baraka Banking Group and Khaleeji Commercial Bank were up 3.9% each.

Market Indicators	18 May 21	17 May 21	%Chg.
Value Traded (QR mn)	460.7	489.9	(6.0)
Exch. Market Cap. (QR mn)	629,151.6	627,919.1	0.2
Volume (mn)	218.7	164.7	32.8
Number of Transactions	10,053	13,450	(25.3)
Companies Traded	43	47	(8.5)
Market Breadth	21:21	16:29	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	21,397.30	0.1	(1.1)	6.7	18.3
All Share Index	3,433.72	0.2	(0.8)	7.3	19.1
Banks	4,517.74	0.3	(0.1)	6.4	15.7
Industrials	3,568.81	0.1	(2.4)	15.2	27.4
Transportation	3,457.40	0.8	(0.5)	4.9	23.1
Real Estate	1,909.61	0.6	(0.1)	(1.0)	18.1
Insurance	2,685.00	0.3	(0.6)	12.1	24.1
Telecoms	1,078.66	0.3	(0.8)	6.7	28.6
Consumer	8,183.05	(0.6)	(1.6)	0.5	28.6
Al Rayan Islamic Index	4,640.40	0.2	(0.6)	8.7	19.9

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Kingdom Holding Co.	Saudi Arabia	9.20	9.3	7,707.6	15.7
Sahara Int. Petrochemical	Saudi Arabia	28.85	3.8	4,747.5	66.6
GFH Financial Group	Dubai	0.68	3.5	35,990.0	13.9
Bank Dhofar	Oman	0.11	2.8	443.9	14.4
Saudi Arabian Mining Co.	Saudi Arabia	58.20	2.6	2,254.9	43.7

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Agility Public Warehouse.	Kuwait	1.05	(3.5)	5,234.7	55.3
Saudi Industrial Inv.	Saudi Arabia	37.05	(2.8)	887.7	35.2
Banque Saudi Fransi	Saudi Arabia	35.80	(2.6)	600.8	13.3
Jarir Marketing Co.	Saudi Arabia	203.80	(1.5)	153.7	17.5
Oman Telecom.	Oman	0.79	(1.5)	109.1	10.6

Source: Bloomberg (# in Local Currency) (## GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Aljjarah Holding	1.23	3.6	13,631.3	(0.8)
Doha Bank	2.85	3.6	3,475.1	20.5
Qatar Industrial Manufacturing Co	2.97	1.9	36.0	(7.6)
Mazaya Qatar Real Estate Dev.	1.17	1.6	36,090.2	(7.3)
Qatar Aluminum Manufacturing Co	1.71	1.6	51,810.2	76.5

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminum Manufacturing Co	1.71	1.6	51,810.2	76.5
Mazaya Qatar Real Estate Dev.	1.17	1.6	36,090.2	(7.3)
Salam International Inv. Ltd.	0.96	(0.8)	29,132.5	47.5
Ezdan Holding Group	1.80	0.0	19,818.6	1.2
Aljjarah Holding	1.23	3.6	13,631.3	(0.8)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Mannai Corporation	3.81	(2.2)	408.2	26.8
Medicare Group	9.11	(1.8)	150.3	3.0
QLM Life & Medical Insurance	5.08	(1.3)	46.1	0.0
Qatar Fuel Company	17.72	(1.1)	736.3	(5.1)
The Commercial Bank	5.40	(0.9)	2,936.4	22.7

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Aluminum Manufacturing	1.71	1.6	88,388.1	76.5
QNB Group	17.90	0.3	43,189.6	0.4
Mazaya Qatar Real Estate Dev.	1.17	1.6	41,790.6	(7.3)
Ezdan Holding Group	1.80	0.0	35,810.3	1.2
Salam International Inv. Ltd.	0.96	(0.8)	28,107.1	47.5

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,809.12	0.1	(1.1)	(0.9)	3.6	124.96	171,884.2	18.3	1.6	2.7
Dubai	2,704.84	1.2	0.3	3.8	8.5	79.70	102,249.2	20.3	0.9	3.0
Abu Dhabi	6,528.39	0.8	5.1	8.0	29.4	605.19	252,897.2	22.3	1.8	4.0
Saudi Arabia	10,423.51	0.3	1.0	0.0	20.0	2,307.76	2,578,794.9	31.2	2.3	2.0
Kuwait	6,308.97	(0.1)	0.5	3.2	13.8	275.88	119,789.4	39.2	1.6	2.2
Oman	3,847.29	0.2	0.3	2.3	5.2	7.48	17,332.2	11.5	0.7	4.7
Bahrain	1,536.11	0.5	0.5	3.5	3.1	6.65	23,504.8	27.0	1.0	2.2

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any)

Qatar Market Commentary

- The QE Index rose 0.1% to close at 10,809.1. The Transportation and Real Estate indices led the gains. The index rose on the back of buying support from Qatari, GCC and Arab shareholders despite selling pressure from Foreign shareholders.
- Aljarah Holding and Doha Bank were the top gainers, rising 3.6% each. Among the top losers, Mannai Corporation fell 2.2%, while Medicare Group was down 1.8%.
- Volume of shares traded on Tuesday rose by 32.8% to 218.7mn from 164.7mn on Monday. However, as compared to the 30-day moving average of 291.6mn, volume for the day was 25% lower. Qatar Aluminum Manufacturing Co. and Mazaya Qatar Real Estate Development were the most active stocks, contributing 23.7% and 16.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	50.83%	51.06%	(1,091,225.8)
Qatari Institutions	13.54%	10.99%	11,745,609.6
Qatari	64.37%	62.06%	10,654,383.8
GCC Individuals	0.49%	0.55%	(264,939.8)
GCC Institutions	0.65%	0.38%	1,218,012.9
GCC	1.14%	0.93%	953,073.1
Arab Individuals	15.22%	12.46%	12,692,316.2
Arab Institutions	0.00%	0.00%	-
Arab	15.22%	12.46%	12,692,316.2
Foreigners Individuals	4.20%	4.19%	58,510.7
Foreigners Institutions	15.08%	20.36%	(24,358,283.8)
Foreigners	19.28%	24.55%	(24,299,773.2)

Source: Qatar Stock Exchange (*as a % of traded value)

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2021	% Change YoY	Operating Profit (mn) 1Q2021	% Change YoY	Net Profit (mn) 1Q2021	% Change YoY
Baazeem Trading Co.	Saudi Arabia	SR	79.8	-1.3%	11.3	6.5%	9.8	9.9%
Al Abdullatif Industrial Investment Co.	Saudi Arabia	SR	154.1	15.6%	2.8	N/A	(4.4)	N/A
Al Kathiri Holding Co.	Saudi Arabia	SR	35.2	37.7%	4.5	10.7%	4.2	15.7%
National Metal Manufacturing and Casting Co.	Saudi Arabia	SR	65.3	-18.0%	(5.3)	N/A	(7.1)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB.

Qatar

- IIF: Qatar well set for post-pandemic rebound** – Qatar is well positioned for post-pandemic rebound with a "modest" economic recovery expected this year due to its "sound" fiscal footing, which helps it in preserving the public wealth, according to the Washington-based Institute of International Finance (IIF). "We expect modest economic recovery in 2021 with real GDP growing by 3.2%, following a contraction of 3.7% in 2020," the IIF said in a report. The recovery would be supported by the strengthening of oil and gas prices, the revival in domestic demand on the back of the progress made in vaccination, and the positive change in the geopolitical situation in the Gulf region, it said. The hydrocarbon GDP is expected to rebound to 2.9% this year and further to 3.4% in 2022 and the non-hydrocarbon is slated to expand to 3.3% in 2021 and 4.4% the subsequent year. The strengthening of the overall economic growth in 2022 will be supported by "significant" increase in gas production and the projected substantial increase in tourist receipts for the FIFA World Cup (scheduled for November 21-December 18, 2022), it said. In this regard, the economic think-tank highlighted that Qatar is seeking to cement its position as the world's second-largest gas exporter and the largest exporter of LNG or liquefied natural gas, given its massive reserves and surging global demand. (Gulf-Times.com)
- IIF: Foreign perceptions of Qatar's financial situation remain 'upbeat'**– Foreign perceptions of Qatar's financial situation remain "upbeat" in view of the strong demand for its bonds and the non-resident capital inflow will remain "high" around \$21bn this year, according to the Washington-based Institute of International Finance (IIF). Moreover, changing the law to allow foreigners to buy real estate in Qatar and allowing them to own businesses without a local partner will also encourage FDI or foreign direct investment in the non-energy sectors, the IIF said in its latest report. "The \$10bn international bond issuance at favorable terms in April 2020 allowed the government to cover most of its external financing needs. Non-resident capital inflows will remain high around \$21bn in 2021, driven by loans to government related-entities and a significant increase in non-resident deposits," it said. The report also found the relatively low EMBIG (emerging markets bond index) spread of 51bps (basis points) for the Qatari bonds as one of the reasons for the upbeat foreign perceptions. The resident capital outflows from Qatar will increase to around \$26bn, consisting largely of investments by the Qatari sovereign wealth fund in foreign equities, hedge funds, fixed income securities, and minority shares in global companies, it said. The public foreign assets (official reserves + the foreign assets of the Qatar Investment Authority) will increase to about \$362bn (214% of GDP), the report said. IIF also said the Covid-19 has accelerated the digital transformation that is already underway in Qatar, which has limited the health impact of the pandemic, thanks to its relatively young population and a range of containment measures. (Gulf-Times.com)
- QIA said to mull injecting HSBC headquarters into Singapore REIT** – Qatar Investment Authority is in talks to inject HSBC Holdings Plc's London headquarters building into a planned property trust being listed by City Developments Ltd., people with knowledge of the matter said. The potential deal would boost the value of the real estate investment trust portfolio to 1.8bn Pounds (\$2.6bn) from 600mn Pounds, said the people, who asked not to be identified as the information is private. The Gulf sovereign wealth fund and the Singaporean homebuilder aim to raise 500mn Pounds from an initial public offering of the sterling-denominated REIT, the people said. The IPO could take place in the city-state as soon as the third quarter, they said. Deliberations are ongoing and there is no certainty that a deal will proceed, said the people. A representative for City Developments declined to comment. A representative for QIA did not immediately respond to requests for comment. (Bloomberg)
- Central banks looking to go green in climate change fight** – No longer is climate change a debatable problematic with some research models suggesting up to a quarter of global GDP - currently around \$80tn - could be lost if no action is taken to reduce carbon dioxide emissions. Across the world, central banks, policymakers, and investors are waking up to the compelling reality. For sure, central banks are the most powerful financial institutions in the world. Now they are increasingly looking to play a key role in mitigating the impact of rising sea levels, more wildfires, and bigger storms that could cause shortages leading to a rise in inflation. Central banks have responded to COVID-19 with record stimulus. Qatar Central Bank Governor HE Sheikh Abdullah bin Saoud Al-Thani said the policy response to the pandemic should turn out to be the blueprint for climate protection policies as well. Central banks are increasingly interested in environmental, social, and governance (ESG) principles, with 43% of respondents to an HSBC survey saying they'd bought green bonds. The survey carried out between February and April found that officials at 57 central banks, with assets worth \$3.8tn, were either already factoring ESG criteria into decision-making or were considering doing so. (Gulf-Times.com)
- Qatari company eyes to coop with Uzbekistan in creation of modern greenhouses** – Qatari Al Qamra Holding is interested in the implementation of investment projects in Uzbekistan in the field of agriculture and animal husbandry through the implementation of joint projects in the creation of modern greenhouses, Trend reports citing Uzbek embassy in Kuwait. According to the information, an online meeting was organized between representatives of the Ministry of Agriculture of Uzbekistan and the Qatari company Al Qamra Holding with the support of the Embassy of Uzbekistan in Kuwait. (Bloomberg)
- S&P revises Sharq Insurance outlook to Stable; Affirms 'BBB' Rating** – S&P Global Ratings revised its outlook on Sharq Insurance to stable from negative. At the same time, we affirmed our 'BBB' issuer credit and insurer financial strength ratings on Sharq. The outlook revision reflects our view that the downside risks we previously incorporated in our assessment of Sharq's creditworthiness have substantially abated. Although Sharq's top and bottom line performance will likely remain volatile due to its small size and the competitiveness of the Qatari insurance market, we do not think it will weaken the insurer's strong capitalization. The new management team is also working to gradually resolve deficiencies in corporate governance and will focus its efforts on expanding the business profitably. Moreover, we think risks of negative developments in credit quality at the wider group level have diminished. (Bloomberg)
- Female business leaders optimistic about economic growth** – Female business leaders from various industries in Qatar are optimistic about the local and global economic recovery from the COVID-19 pandemic within the next one to two years, according to KPMG's 'Global Female Leaders Outlook 2021 Qatar Edition' report which was released recently. The report, which also included 'Featured Interviews Outlook' with a number of female leaders from Qatar, highlighted that women leaders are embracing the changes related to COVID-19, and are still being realistic about what the new reality holds for their organizations. According to Sheikha Alanoud bint Hamad Al Thani (pictured-left), Managing Director of Business Development at QFC

Authority, the largest impact of the COVID-19 pandemic on customers and the workforce in Qatar's financial services industry has been the aggressive rollout of digitalized services. (Peninsula Qatar)

- **For LNG developers, another year of canceled projects –** This week's decision by Australia's Woodside Petroleum Ltd to pull out of a big Canadian liquefied natural gas (LNG) project was the latest blow to a sector that has been heralded for its growth prospects worldwide. Demand for super-cooled LNG has surged in recent years as large energy-consuming nations like China and India wean themselves off dirtier coal. Demand is expected to keep hitting fresh highs, but three North American projects have stopped development in the past few months, as customers remain hesitant to sign long-term purchase agreements needed for financing. LNG terminals, where gas is cooled into a liquid for shipping via tanker, take roughly four years to build. Investors in new projects are wary of oversupply in coming years after Qatar Petroleum, the world's biggest and lowest-cost LNG producer, announced big expansion plans in February. To be sure, there are still a dozen North American projects in the works that could decide to kick off construction later this year. But that's no different from 2020 and 2019, when numerous projects were delayed or killed. Only one project started construction in 2020. (Reuters)

International

- **Surging lumber prices weigh on US homebuilding –** US homebuilding fell more than expected in April, likely pulled down by soaring prices for lumber and other materials, but construction remains supported by an acute shortage of previously owned homes on the market. The plunge in homebuilding reported by the Commerce Department was concentrated in the single-family housing market segment. The number of houses authorized for construction but not yet started increased to the highest level since 1999, suggesting hesitancy on the part of builders. Housing starts tumbled 9.5% to a seasonally adjusted annual rate of 1.569mn units last month. Data for March was revised lower to a rate of 1.733mn units, still the highest level since June 2006, from the previously reported 1.739mn units. Economists polled by Reuters had forecast starts would fall to a rate of 1.710mn units in April. Starts surged 67.3% on a year-on-year basis in April. Groundbreaking activity dropped in the Midwest and the densely populated South, but rose in the Northeast and West. (Reuters)
- **1Q2021 upside surprises brighten Central Europe's recovery outlook –** Central Europe's economies surprised on the upside in the first quarter, data showed, with industry buoying activity through COVID-19 lockdowns and helping prime a recovery that analysts said could be stronger than expected. The Slovak economy recorded year-on-year growth of 0.3% after four consecutive quarters of decline while Romania's gross domestic product hit pre-COVID levels, analysts said. In Hungary, where the central bank has joined Czech rate setters in flagging a possible interest rate hike this year, GDP shrank by an annual 2.3%, less than forecast, and bounced 1.9% from the last quarter of 2020. Bulgaria's economy contracted 1.8% on an annual basis, a slower pace than the previous quarter's drop, while Romania's economy shrank 0.2% but showed a region-leading quarterly gain of 2.8%. The preliminary data comes after Poland last week reported a 1.2% year-on-year contraction for the first quarter while the Czech economy eased 2.1%. Capital Economics said Hungary and Romania outperformed the region when looking at quarterly developments and the latter was the most advanced in recovery so far, with other economies still below pre-pandemic levels. Only the Slovak and Czech economies slipped on a quarterly basis. "Conditions are in place for a strong regional recovery in the second half of this year and

into 2022," it said. Central European countries, geared strongly to the auto industry, contracted sharply last year after factory shutdowns at the start of the pandemic. The region was hit again in the first quarter by a spike in COVID-19 infections and deaths and as lockdown restrictions hammered the retail and hospitality sectors. (Reuters)

- **UK jobless rate falls again, hiring up as lockdown eases –** Britain's unemployment rate fell again to 4.8% between January and March, when the country was under a tight lockdown, and hiring rose further in April, according to data that showed employers gearing up for the easing of curbs. Economists polled by Reuters had expected the rate to hold at 4.9%, and the reading added to signs that the labor market will escape the severe hit feared at the onset of the coronavirus pandemic, thanks mostly to government jobs subsidies. Some of the fall in the unemployment rate - the third in a row - was due to a rise in people not looking for work, with inactivity rate among men hitting a record high, echoing a pattern seen during Britain's first lockdown last year. But analysts said the data showed the labor market was preparing for the end of many of the curbs imposed by Prime Minister Boris Johnson in January, thanks to the country's swift COVID-19 vaccination program. "As the economy prepares to re-open fully and economic activity picks up, businesses have increased their hiring to meet the rise in demand," Yael Selfin, chief economist at KPMG UK, said. The unemployment rate was likely to peak at 5.9% in the three months to December, after a jobs furlough program ends in September, she said. The number of people in employment in the first three months of 2021 jumped by 84,000, the first increase since the pandemic hit Britain and a bigger rise than the Reuters poll forecast of a 50,000. Those classed as unemployed fell by 121,000. (Reuters)

Regional

- **GPCA: GCC pushing ahead with plans to be world's 'top green hydrogen producer' –** The GCC region is already pushing ahead with plans to be the world's "top green hydrogen producer", Gulf Petrochemicals and Chemicals Association (GPCA) has said in a report. Thanks to rapidly declining renewable energy costs and technological advances, hydrogen can become the medium of choice for transporting cheap clean energy across the globe. The growing importance of hydrogen is part of a broader trend toward decarbonization that the Covid-19 pandemic has accelerated, by reducing hydrocarbon demand sustainability, GPCA said. "The regional chemical industry is well positioned to capture the hydrogen opportunity that lies ahead and become a leading producer and exporter of blue and green hydrogen," GPCA noted. "Thanks to its abundant supply of natural gas, low cost of capital, existing industrial capacity, as well as geographical proximity to growth markets, the Arabian Gulf region can emerge as a world-leader in the clean energy transition," GPCA noted. The role of hydrogen in the energy transition is increasingly being seen as a necessity as the world is starting to transition to a cleaner and more sustainable energy system. In an effort to decarbonize the world, hydrogen can play a powerful role in enabling the transition as it offers clean, sustainable, and flexible options for overcoming multiple obstacles that stand in the way of a resilient low-carbon economy. Being the lightest element on the periodic table, hydrogen's unique properties make it a "powerful enabler" for the energy transition, with benefits for both the energy system and end-use applications. These benefits play an important role in decarbonizing major sectors of the economy. (Gulf-Times.com)
- **ASI: Modest 2021 GCC recovery forecasts drive diversification strategies –** Modest 2021 recovery forecasts for the GCC have increased the focus on diversification from the

hydrocarbon sector, potentially opening up some less traditional growth opportunities, according to Aberdeen Standard Investments (ASI). The International Monetary Fund (IMF) and S&P Global Ratings, among others, expect to see a gradual recovery across the region, with real GDP growth to be around 2.5% this year after the contraction of about 6% in 2020. Many GCC governments, ASI noted, are now pursuing reforms largely based on diversifying revenue away from the volatile hydrocarbon sector and improving the efficiency of state spending. Investment experts at ASI believe this is fostering increased investment in areas such as financial and educational technology, which could offer new investment options. Head (Middle East and Africa) for ASI, Edris Alrafi said, "Following the crash in oil prices in 2020, we are seeing a far-reaching transition among national oil companies in the GCC. This activity ranges from new strategies to diversify and decarbonize their activities and digitalization of operations and services, through to automation of cybersecurity as part of a focus on asset integrity within the region's oil and gas sector." Investment experts at ASI are positive about the potential for tech-led growth across the region, based on investments in and the effective deployment of advanced technologies such as artificial intelligence, smart sensors, robotics and advanced material. The expanding fintech influence across the region is also continuing to gather momentum. The most likely areas expected to benefit from this flurry of activity are remittances, banking penetration and the security of transactions. (Gulf-Times.com)

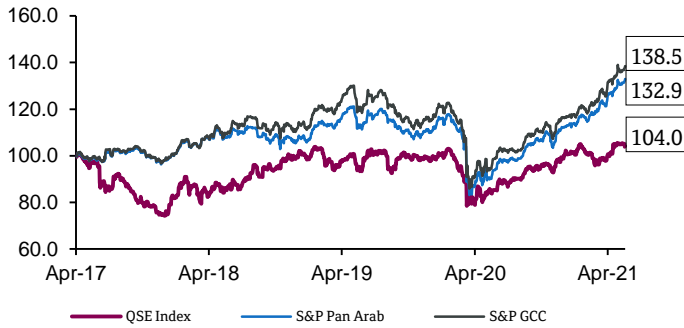
- **Saudi to invest \$1bn to support Africa's post-pandemic recovery** – Saudi Arabia will support African countries with investments and loans worth about \$1bn this year to help their economies recover from the COVID-19 pandemic, crown prince Mohammed bin Salman said on Tuesday. "Saudi Development Fund will carry out future projects, loans and grants worth three billion riyals, or around \$1bn, in developing countries in Africa this year," Prince Mohammed said in a televised speech to a debt relief conference in Paris. He also said the kingdom's sovereign wealth fund, the Public Investment Fund (PIF), had invested around \$4bn in the energy, mining, telecoms, food and other sectors in Africa and that it would continue to look for opportunities in other sectors in the continent. (Reuters)
- **Saudi ultra-luxury project may raise up to SR10bn in 2022** – Saudi Arabia's ultra-luxury Amaala tourism project may raise up to SR10bn next year as the Kingdom presses on with Crown Prince, Mohammed bin Salman's program to diversify the economy. Amaala, on the northwestern coast of Saudi Arabia, will not tap markets until next year, Chief Executive Officer, John Pagano said on the sidelines of Arabian Travel Market in Dubai. The numbers have not yet been finalized, with the amount of debt likely to be in the "range" of 5-10 billion, he said. The company has awarded more than SR3bn in contracts. Opening up to tourism is one of the ways Saudi Arabia intends to diversify its economy away from oil. Its other ambitious projects include an entertainment hub near the capital, and a new city in the north-west called Neom that is expected to cost \$500bn to build. (Bloomberg)
- **UAE awards local firm ADSB \$950mn naval patrol vessel contract** – The UAE has signed a \$950mn contract with Abu Dhabi Ship Building (ADSB) to manufacture four new patrol vessels for the Gulf Arab state's navy, ADSB said on Tuesday. The Falaj 3-class Offshore Patrol Vessel contract was ADSB's largest ever order, which Chief Executive, David Massey said gave it a sustainable and profitable future for the next five years. ADSB will build all four hulls in Abu Dhabi, the UAE capital, and is responsible for integrating systems, he said. Massey told Reuters ADSB first entered into talks with the UAE for the vessel contract six years ago and that over the past two years

the sides had been negotiating the terms of the award. ADSB was also in talks with the UAE for several upgrade and refit awards and was hopeful it would announce later this year or early next year an export deal for smaller vessels, he said. ADSB, 40% owned by state defense conglomerate EDGE and 10% owned by the Abu Dhabi government, has built Baynunah-class corvettes for the UAE navy, the last of which it said was delivered in 2017. (Reuters)

- **Dubai targets over 5.5mn overseas tourists this year** – Dubai expects to attract over 5.5mn overseas visitors this year, hopeful that new markets can help make up for the loss of visitors from key places where travel is restricted. Dubai had 5.5mn overseas visitors last year, when the tourism sector was pummeled by the coronavirus pandemic. In 2019, 16.7mn tourists visited. Visitors from India, traditionally Dubai's top source market, are largely banned from the UAE due to the latest outbreak in the South Asian nation. Meanwhile, the UK, Dubai's third biggest source market in 2019, has barred direct flights and requires travelers from the UAE to hotel quarantine. But Dubai Tourism Chief Executive, Issam Kazim said visitor numbers from newer markets in Europe, Africa and the Commonwealth of Independent States (CIS) were performing well. "All of these markets will start to add up and hopefully fill the gaps and give us a much stronger foundation to build a confident rebound going forward," he told Reuters at the Arabian Travel Market in Dubai. (Reuters)
- **Emirates REIT proposes to amend terms of \$400mn Sukuk** – Dubai-listed Emirates REIT, a Shari'ah-compliant real estate investment trust, has offered holders of its \$400mn Sukuk, or Islamic bonds, to exchange their notes for a new instrument, according to a statement. The proposal would see holders exchange unsecured Sukuk with secured ones. The company is also looking to extend its credit maturity as it aims to improve its balance sheet after the impact of the COVID-19 pandemic on its operations. The company last year appointed Houlihan Lokey to advise its board on a strategic review of the fund. (Reuters)
- **ADNOC invests \$318mn to connect smart wells at Bu Hasa** – The Abu Dhabi National Oil Company (ADNOC), announced, an investment of up to \$318mn to connect newly drilled smart wells to the main production facilities at Bu Hasa, which will sustain production capacity of 650,000 bpd at ADNOC's largest onshore asset. The engineering, procurement and construction (EPC) contract has been awarded in two packages by ADNOC's subsidiary, ADNOC Onshore. Package 1 is valued at up to \$158.6mn and has been awarded to China Petroleum Pipeline Engineering Co. Ltd, while Package 2, with a value of up to \$159.1mn has been awarded to Robt Stone (ME) LLC. The duration of the contracts is three years, with the option of a two-year extension. The EPC award follows a competitive tender process and will see over 50% of the combined value of both awards flow back into the UAE economy under ADNOC's In-Country Value (ICV) program, highlighting how ADNOC continues to prioritize ICV as it delivers on its 2030 strategy. (Zawya)
- **Kuwait sells KD240mn 182-day bills; bid-cover at 10.51x** – Kuwait sold KD240mn of 182-day bills due on November 16. Investors offered to buy 10.51 times the amount of securities sold. The bills have a yield of 1.25% and settled on May 18. (Bloomberg)
- **Fitch affirms Oman at 'BB-'; with a Negative outlook** – Oman's ratings balance hydrocarbon dependence, large fiscal and external deficits and debt ratios against high GDP per capita and other strong structural features relative to 'BB' category peers. Oman's sovereign gross external asset position has weakened but remains a source of financing flexibility for the government. The Negative Outlook reflects risks to

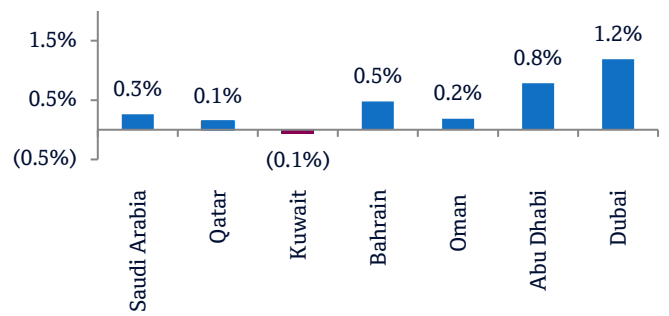
sustained enactment of fiscal consolidation plans given the challenging economic and social context. Nonetheless, initial implementation of the Medium-Term Fiscal Plan (MTFP) has boosted prospects for debt reduction. In 2020 Oman's budget deficit increased to 18% of GDP and government debt/GDP spiked to 79% (from 60% in 2019), as oil prices declined by a third and nominal GDP by 15%. Real GDP contracted by an estimated 5.2% owing to coronavirus-related restrictions and lower oil production linked to the OPEC+ agreement. Government debt had already been on a steep uptrend, climbing from 6% of GDP in 2014, amid oil price declines and limited fiscal reforms. SOE debt also increased in 2020, to 44% of GDP from 31% in 2019. Lingering pandemic impacts together with planned fiscal consolidation create challenges for the economic recovery. Fitch forecast 2% real GDP growth in 2021, owing to base effects, following an 8% non-oil contraction in 2020, and higher oil output as OPEC+ cuts taper. Fitch expects growth to strengthen in 2022, to 3.3%, with higher average oil production and greater post-pandemic normalization, before slower growth in 2023-2024 amid ongoing fiscal austerity. The succession of Sultan Haitham bin Tariq following the death of Sultan Qaboos in 2020 has galvanized fiscal policymaking. Initial implementation in 2020-2021 of the Tawazun Program, central to which is the MTFP to reach primary surplus by 2023 and reduce government debt/GDP, has boosted prospects for improving public finances. The MTFP has identified fiscal measures with a potential gross impact of OMR4.7bn by 2024 (about 15% of GDP). This includes OMR1.3bn from shifting oil and gas capex off budget to the newly-formed Energy Development Oman (EDO). (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,869.44	0.1	1.4	(1.5)
Silver/Ounce	28.19	0.0	2.8	6.8
Crude Oil (Brent)/Barrel (FM Future)	68.71	(1.1)	0.0	32.6
Crude Oil (WTI)/Barrel (FM Future)	65.49	(1.2)	0.2	35.0
Natural Gas (Henry Hub)/MMBtu	2.94	(0.7)	2.4	23.0
LPG Propane (Arab Gulf)/Ton	82.75	0.0	1.4	10.0
LPG Butane (Arab Gulf)/Ton	90.25	(0.3)	4.9	29.9
Euro	1.22	0.6	0.7	0.0
Yen	108.90	(0.3)	(0.4)	5.5
GBP	1.42	0.4	0.7	3.8
CHF	1.11	0.6	0.4	(1.4)
AUD	0.78	0.4	0.3	1.3
USD Index	89.75	(0.5)	(0.6)	(0.2)
RUB	73.71	(0.1)	(0.4)	(0.9)
BRL	0.19	0.3	0.3	(1.2)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,928.68	(0.2)	(0.3)	8.9
DJ Industrial	34,060.66	(0.8)	(0.9)	11.3
S&P 500	4,127.83	(0.9)	(1.1)	9.9
NASDAQ 100	13,303.64	(0.6)	(0.9)	3.2
STOXX 600	443.04	0.7	0.8	11.0
DAX	15,386.58	0.4	0.5	11.5
FTSE 100	7,034.24	0.4	0.5	13.2
CAC 40	6,353.67	0.3	0.2	14.4
Nikkei	28,406.84	2.3	1.6	(1.9)
MSCI EM	1,333.18	1.7	2.0	3.2
SHANGHAI SE Composite	3,529.01	0.5	1.3	3.2
HANG SENG	28,593.81	1.4	2.0	4.8
BSE SENSEX	50,193.33	1.7	3.3	5.1
Bovespa	122,980.00	0.3	1.2	1.8
RTS	1,574.32	1.5	1.6	13.5

Source: Bloomberg (*\$ adjusted returns)

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